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Attorneys for the United States of America

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

UNITED STATES OF AMERICA and
CHUNG NGO, Revenue Agent,

Petitioners,

v.

STEVEN T. HEFFELFINGER,

Respondent.

CV NO 10

3818

VERIFIED PETITION TO
ENFORCE INTERNAL
REVENUE SERVICE SUMMONS

Petitioners, the UNITED STATES OF AMERICA and its Revenue Agent,
CHUNG NGO, allege and petition as follows:

1. This proceeding is brought and this Court has jurisdiction hereof under
Sections 7402(b) and 7604(a) of the Internal Revenue Code (26 U.S.C. §§ 7402 and
7604).

2. Petitioner CHUNG NGO is and at all times mentioned herein was an
employee and agent of the Internal Revenue Service of the United States Department of
the Treasury authorized by the Secretary of the Treasury to perform the duties and take
the actions described in Sections 7602 and 7603 of the Internal Revenue Code (26 U.S.C.
§§ 7602 and 7603), under Treasury Regulations §§ 301.7602-1 and 301.7603-1 (26
C.F.R. §§ 301.7602-1 and 301.7603-1).

1 3. Petitioner CHUNG NGO is and at all times mentioned herein was
2 attempting in the course of authorized duties to determine the federal income tax liability
3 of STEVEN T. HEFFELFINGER for the calendar years of 2007 and 2008.

4 4. Petitioner CHUNG NGO is and at all times herein was attempting in the
5 course of authorized duties to have respondent produce for inspection, examination and
6 copying by petitioner certain records possessed by respondent which are relevant and
7 material to attempt to determine and collect the aforementioned federal tax liability of
8 STEVEN T. HEFFELFINGER, for the periods stated in paragraph 3 above.

9 5. Respondent STEVEN T. HEFFELFINGER's last known address is 57 Loni
10 Court, Windsor, California, which is within the venue of this Court.

11 6. Petitioner CHUNG NGO is informed and believes that said respondent is in
12 possession and control of records, paper and other data regarding income and other
13 matters covered by said petitioner's inquiry and to which petitioners do not otherwise
14 have access, possession, or control.

15 7. On June 21, 2010, at 12:54 p.m. in accordance with law, Petitioner CHUNG
16 NGO personally served a summons on the wife of respondent STEVEN T.
17 HEFFELFINGER at the last known address of respondent in respect to the subject matter
18 described in paragraphs 3, 4, and 6 above. The requirements of said summons are self-
19 explanatory, and a true copy thereof is attached hereto as Exhibit A and is hereby
20 incorporated by reference as a part of this petition.

21 8. The items sought by the summons described in paragraph 7 above are
22 relevant to and can reasonably be expected to assist in the determination and collection of
23 the above-mentioned federal tax liability of STEVEN T. HEFFELFINGER for the period
24 stated in paragraph 3 above. It was and now is essential to completion of petitioner's
25 inquiry regarding the determination and collection of the above-mentioned federal tax
26 liability of STEVEN T. HEFFELFINGER for the period stated in paragraph 3 above that
27 respondent produce the items demanded by said summons.

28 9. The respondent did not appear on July 7, 2010, as requested in the

1 summons.

2 10. By letter dated July 21, 2010, respondent STEVEN T. HEFFELFINGER
3 was provided with another opportunity to comply by appearing for an appointment with
4 Petitioner CHUNG NGO on August 9, 2010. See Exhibit B.

5 11. As of the date of this petition, the respondent has failed to comply with the
6 summons.

7 12. All administrative steps required by the Internal Revenue Code for issuance
8 of the summons have been taken.

9 13. There has been no referral to the Department of Justice for criminal
10 prosecution of the matters described in the summons.

11 **WHEREFORE**, having stated in full their petition against the respondent,
12 petitioners pray for enforcement of the subject summons as alleged and set forth above, as
13 follows:

14 A. That the named respondent herein be ordered to appear and show cause
15 before this Court, if any, why he should not be compelled by this Court under 26 U.S.C. §
16 7604(a) to give such testimony and to produce such items as are required in the herein
17 above-described summons;

18 B. That respondent be ordered by the Court to appear before the petitioner
19 CHUNG NGO or any other designated agent, at a time and place directed by the Court
20 and then and there give such testimony and produce such items as is required by the
21 summons; and

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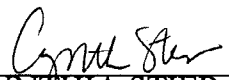
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1 C. That the Court grant the petitioner UNITED STATES OF AMERICA its
2 costs in this proceeding and such other and further relief as may be necessary and proper.

3 Respectfully submitted,

4 MELINDA HAAG
5 United States Attorney

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7 CYNTHIA STIER
8 Assistant United States Attorney
9 Tax Division
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VERIFICATION

I, **CHUNG NGO**, pursuant to 28 U.S.C. § 1746, declare and state as follows:

I am a duly employed Revenue Agent in the Santa Rosa, California office of the Internal Revenue Service of the United States Treasury Department. I am one of the petitioners making the foregoing petition. I have read and know the entire contents of the foregoing petition, and all statements of fact contained in said petition are true to the best of my own personal knowledge and recollection, and as to those facts stated upon information and belief, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 26, 2010 at Santa Rosa, California.


CHUNG NGO

Verified Petition to Enforce
IRS Summons



Summons

In the matter of Steven T & Tamara L Heffelfinger

Internal Revenue Service (Division): Small Business/Self-Employed

Industry/Area (name or number): Area 7

Periods: Calendar year ending December 31, 2007 and December 31, 2008

The Commissioner of Internal Revenue

To: Steven T Heffelfinger

At: 57 Loni Court, Windsor CA 95492

You are hereby summoned and required to appear before Chung Ngo, Internal Revenue Agent
an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers,
and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the
administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

In the matter of 2007 and 2008 U.S. Individual Income Tax Return (See attached)

Do not write in this space

Business address and telephone number of IRS officer before whom you are to appear:

777 Sonoma Ave, Room #112, Santa Rosa, CA 95404 707-535-3849

Place and time for appearance at 777 Sonoma Ave, Room #112, Santa Rosa, CA 95404



Department of the Treasury
Internal Revenue Service

www.irs.gov

Form 2039 (Rev. 12-2008)
Catalog Number 21405J

on the 7th day of July, 2010 at 9:00 o'clock a m.
Issued under authority of the Internal Revenue Code this 21th ^(year) day of June, 2010 ^(year)

[Signature]
Signature of issuing officer

[Signature]
Signature of approving officer (if applicable)

Internal Revenue Agent - 0685203

Title

Group Manager - 0127149

EXHIBIT A

Original — to be kept by IRS

ATTACHMENT TO SUMMONS/SUBPEONA

Issued to: Steven T Heffelfinger
In the matter of: Steven T & Tamara L Heffelfinger
Address: 57 Loni Court
Windsor, CA 95492
Periods: Calendar year ending December 31, 2007 and December 31, 2008

Books and Records – 2007 and 2008 taxable years

1. All books and records concerning income, expenses, and deductions
2. If computerized books maintained, please provide a detail transaction journal to include the split transactions.
3. Chart of Accounts
4. Income statement and Balance Sheet for the year ending 2007 and 2008
5. General Ledger, Working and Adjusted Trial Balance
6. Check Register (Disbursements Journal)
7. Cancelled checks, Receipts and Invoices arranged by expense category
8. Accounts Receivable and Accounts Payable Journals
9. A brief history of your business.

Accountant's working papers – 2007 and 2008 taxable years

1. Year-end adjusting journal and closing entries.
2. Reconciliation of books to return.

Gross Receipts: 2007 and 2008 taxable years

1. Please provide a list of all your jobs/sales gross receipts for the year ending 2007 and 2008. Please include the following:
 - a. Customer Name, Address and Phone Number
 - b. Job Address and Job Description
 - c. Total Job Revenue (include any change orders/upgrades)
 - d. Total Job Costs
 - e. Net Profit per Job
 - f. Amount Billed and Collected per Job
 - g. Logs, appointment books, and calendars.
2. All books, journals, ledgers and work papers used to determine gross receipts
3. All job files for work done in 2007 and 2008 including contracts and change orders, billing and payment history, and related job costs (on a per job basis matching income and expenses per job)
4. All bank statements (*both business and personal, checking and savings*) originals and a copy for the Government, deposit slips, and cancelled checks for the period from December 1, 2006 thru January 31 2009
5. Credit card statements
6. Records of all savings and invested funds for the year including investment vehicles such as money market accounts, certificates of deposits, etc.

7. Documentation of any non-taxable business and personal receipts including loans, insurance proceeds, inheritances, gifts, social security benefits, annuity or pension proceeds, and transfers between bank accounts
8. Please provide a list of all bank accounts that you have signature authority over including your personal and business accounts as well as accounts you have authority over such as those of your children etc. Please include the bank(s), the account numbers, and the name(s) on each account

Cost of Goods Sold / Labor: 2007 and 2008 taxable years

1. Cancelled checks, receipts, invoices, and accounting records such as purchase journals or summaries for materials, supplies, labor, and any other costs of goods sold
2. Payroll records
3. If any independent contractors (non-employees) were paid please provide:
 - a. Cancelled checks to verify the amount paid
 - b. Contracts and other records for each person or contractor (including corporations) including the names, addresses and social security numbers and phone numbers of those paid, and a description of the services they provided
 - c. Copies of 1099s issued and filed

Other Business Expenses: 2007 and 2008 taxable years

1. Please provide receipts, invoices, and cancelled checks organized by expense category for any expenses other than Cost of Goods Sold / Labor.

Other Income: 2007 and 2008 taxable years

1. Account records of other income including but not limited to sales of assets, investment, commission, hobbies, rent, royalty, alimony, partnership, prizes, awards, bonuses, estate, trust, welfare, and foreign bank interest.



Service of Summons, Notice and Recordkeeper Certificates

(Pursuant to section 7603, Internal Revenue Code)

I certify that I served the summons shown on the front of this form on:

Date <u>June 21, 2010</u>	Time <u>12:54 PM</u>
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How
Summons
Was
Served

1. ☒ I certify that I handed a copy of the summons, which contained the attestation required by § 7603, to the person to whom it was directed.
2. ☐ I certify that I left a copy of the summons, which contained the attestation required by § 7603, at the last and usual place of abode of the person to whom it was directed. I left the copy with the following person (if any): _____
3. ☐ I certify that I sent a copy of the summons, which contained the attestation required by § 7603, by certified or registered mail to the last known address of the person to whom it was directed, that person being a third-party recordkeeper within the meaning of § 7603(b). I sent the summons to the following address: _____

Signature

Chung nyl

Title

Internal Revenue Agent

4. This certificate is made to show compliance with IRC Section 7609. This certificate does not apply to summonses served on any officer or employee of the person to whose liability the summons relates nor to summonses in aid of collection, to determine the identity of a person having a numbered account or similar arrangement, or to determine

whether or not records of the business transactions or affairs of an identified person have been made or kept.

I certify that, within 3 days of serving the summons, I gave notice (Part D of Form 2039) to the person named below on the date and in the manner indicated.

Date of giving Notice: June 21, 2010 Time: 12:54 PM

Name of Noticee: Steven T Hesselfinger

Address of Noticee (if mailed): personally Served @ 57 Loni Court, Windsor, CA 95492

How
Notice
Was
Given

- | | |
|--|---|
| <input type="checkbox"/> I gave notice by certified or registered mail to the last known address of the noticee. | <input type="checkbox"/> I gave notice by handing it to the noticee. |
| <input checked="" type="checkbox"/> I left the notice at the last and usual place of abode of the noticee. I left the copy with the following person (if any).
<u>Tamara L Hesselfinger</u> | <input type="checkbox"/> In the absence of a last known address of the noticee, I left the notice with the person summoned. |
| | <input type="checkbox"/> No notice is required. |

Signature

Chung nyl

Title

Internal Revenue Agent

I certify that the period prescribed for beginning a proceeding to quash this summons has expired and that no such proceeding was instituted or that the noticee consents to the examination.

Signature

Title



OFFICE OF THE CHIEF COUNSEL

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
OFFICE OF DIVISION COUNSEL
SMALL BUSINESS/SELF-EMPLOYED
160 SPEAR STREET, 9TH FLOOR
SAN FRANCISCO, CA 94105
(415) 227-5168
FAX: (415) 227-5159

JUL 21 2010

CC:SB:7:SF:1:NDDoukas
GL-128973-10

Steven T. Heffelfinger
57 Loni Court
Windsor, CA 95492

Dear Mr. Heffelfinger:

Small Business/Self-Employed Examination - California Area, Territory - San Francisco-Ca, Group 9 of the Internal Revenue Service has notified our office that you did not comply with the provisions of the summons served on you on June 21, 2010. Under the terms of the summons, you were required to appear before Revenue Agent Chung Ngo July 7, 2010.

Legal proceedings may be brought against you in the United States District Court for not complying with this summons. To avoid such proceedings, you are to appear before Revenue Agent:

Name: Chung Ngo
Date: August 9, 2010
Time: 9:00 a.m.
Address: 777 Sonoma Ave, Room 112
Santa Rosa, CA 95404

EXHIBIT B

GL-128973-10

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Any books, records or other documents called for in the summons should be produced at that time. If you have any questions, please contact Revenue Agent Chung Ngo at (707) 535-3849.

Sincerely,

PATRICIA A. DONAHUE
Area Counsel
(Small Business/Self-Employed: Area 7)

By: /s/ Nicholas D. Doukas
Nicholas D. Doukas
Attorney (San Francisco, Group 1)
(Small Business/Self-Employed)

Enclosures:
Summons

cc: Chung Ngo
777 Sonoma Ave., Room 112
Santa Rosa, CA 95404